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SSA 64-0234

17 FEB 1964

MEMORANDUM FOR: Chief, Special Affairs Staff

ATTENTION : Chief, Support Staff

SUBJECT : Attached Special Claim by [REDACTED]

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1. We have carefully reviewed the attached claim, and feel that there is no basis upon which we could recommend approval by the DD/S. As you know, the special housing assistance granted to JMWAVE personnel was not intended to provide employees with cost-free, or even minimum cost, housing. Rather, it was designed to relieve employees of the necessity of having to pay excessive rentals for housing [REDACTED] as compared to average housing costs in Washington. The facts presented in the attached memorandum would not indicate that the claimant has been confronted with excessive costs.

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2. [REDACTED] arrived [REDACTED] on 2 May 1962, and purchased the house on 6 May, four days after his arrival and more than two months before his TDY assignment was converted to PCS. The memorandum does not indicate the amount of the monthly payments on the house, the amount of the down payment he made, or the amount of the mortgage carried. We assume, however, that the down payment was minimal, that the mortgage covered substantially all of the cost, and that the monthly payments were applied almost entirely to interest and taxes. This is deduced from his statement that the equity acquired in 15 months was \$302.95, which is only about \$20 per month. Thus, the monthly payments were not only offset by a partial Agency subsidy, but were almost entirely tax deductible. In addition, the Agency paid him \$20 per month against his utility bills.

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3. According to [REDACTED] memorandum, the total cost to him was \$1,467 for the 15 months. This averages \$97.80 a month. The refund he is now requesting is \$951.00, which averages \$63.40 per month. If approved, the refund would mean that the cost to him would be about \$35 per month for rent and utilities. In addition to this a substantial tax benefit will accrue from the interest and taxes on the property, which would further reduce the monthly housing costs he was required to bear. Since the general idea of the housing

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GROUP 1
Excluded from automatic
downgrading and
declassification

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subsidy was to equate the [REDACTED] area with the Headquarters area,
we do not see how we could justify additional subsidy to [REDACTED]
on the basis of the facts presented.

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[REDACTED]
Special Support Assistant DD/S

Attachments

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Memo to DDS dtd 29 January 1964

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Dispatch [REDACTED] dtd 11 September 1963

Claim submitted by [REDACTED]

SSA-DD/S

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